

# Exhibit 13

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1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK  
3 CASE NO. 18-MD-2865 (LAK)

4 IN RE: )  
5 )  
6 CUSTOMS AND TAX ADMINISTRATION OF )  
7 THE KINGDOM OF DENMARK )  
(SKATTEFORVALTNINGEN) TAX REFUND )  
SCHEME LITIGATION )

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13 C O N F I D E N T I A L

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18 REMOTE VTC VIDEOTAPED EXPERT DEPOSITION UNDER ORAL

19 EXAMINATION OF

20 C. FREDERICK REISH

21

22 DATE: March 25, 2022

23

24

25 REPORTED BY: MICHAEL FRIEDMAN, CCR

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1 C. F R E D E R I C K R E I S H,  
2 called as a witness, having been first  
3 duly sworn according to law, testifies as follows:  
4  
5  
6

7 EXAMINATION BY MR. MAGUIRE:

8 Q Good morning, Mr. Reish?

9 A Good morning. Actually, it's  
10 Reish.

11 Q Reish. I'm sorry.

12 A No problem.

13 Q So, Mr. Reish, my name is Bill  
14 Maguire. I'm going to be asking you  
15 questions today.

16 If any question that I ask you is  
17 unclear, will you please let me know before  
18 you answer the question?

19 A Yes.

20 Q That way you'll give me an  
21 opportunity to clear up the question and  
22 we'll all know, when you answer the question,  
23 you understood the question.

24 Is that agreeable?

25 A Yes.

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1 I didn't really focus on whether  
2 securities lending had been part of that  
3 because it wasn't a qualification issue, and  
4 my role in doing this was to evaluate the  
5 plan from a qualification perspective.

6 But they very well could have been.

7 Q Now, where there is securities  
8 lending, that's -- that gives rise -- where a  
9 plan has investment earnings from  
10 debt-financed activities, that gives rise to  
11 unrelated business taxable income.

12 Isn't that right?

13 MR. MULLEN: Objection.

14 A I have thoughts on that. First,  
15 it's called "debt-financed income," which is  
16 a subset of unrelated business taxable  
17 income. But it's in its own category.

18 Secondly, I didn't really look at  
19 the transactions. I didn't -- I didn't look  
20 to see if the plan was lending or if the plan  
21 was borrowing. And so I didn't make a  
22 determination on that.

23 You have to borrow money to make  
24 money in order to have financed income, and I  
25 didn't really study the transactions that

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1 way.

2 Q Did you focus on whether, in fact,  
3 the RJM plan was borrowing money?

4 A No.

5 Q Did you go -- did you focus on  
6 whether the RJM plan had debt-financed  
7 income?

8 A No. That wasn't -- that was  
9 outside my focus on the plan's qualification.

10 Q Where a plan had very substantial  
11 borrowings and very substantial debt-financed  
12 income, would you expect that to be something  
13 that would be the subject of an inquiry in  
14 the course of an IRS audit?

15 MR. MULLEN: Objection.

16 MR. DILLMAN: Objection as to form.

17 A A plan borrowed money to make  
18 investments and made a profit on that  
19 investment. The IRS agent would likely say  
20 that the plan should file an income tax  
21 return and pay income taxes on that part of  
22 the -- of the -- you know, on those  
23 investment -- related to those investments,  
24 to the DFI related to those investments.

25 That's -- yes, I would think that

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1 an IRS agent would raise that issue.

2 Q And did you see any evidence of the  
3 IRS agent here raising that?

4 A No. I -- like I said earlier, I  
5 just don't know what information was given to  
6 the agent on that. I don't fully understand  
7 whether it's lending or borrowing, so I'm  
8 not -- I don't have the background to  
9 determine whether or not it is DFI. That's  
10 debt-financed income, DFI.

11 MR. MULLEN: Bill, when you hit a  
12 good spot, I think we've been at it for  
13 about an hour and 15 minutes.

14 MR. MAGUIRE: Yeah, just in a  
15 couple of minutes, we'll find a good  
16 spot, Sean.

17 Q Sir, do you have any understanding  
18 as to why the IRS agent did not raise this  
19 issue of debt-financed income in the course  
20 of the audit of the RJM plan?

21 MR. BAHNSON: Objection to form, no  
22 foundation.

23 A I don't know that the IRS agent  
24 didn't raise it. I mean, all I have is what  
25 I have.